

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7232

BILL NUMBER: HB 1449

NOTE PREPARED: Feb 25, 2009

BILL AMENDED: Feb 23, 2009

SUBJECT: Various Motor Vehicle Matters.

FIRST AUTHOR: Rep. Bardon

FIRST SPONSOR: Sen. Merritt

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill does the following:

- (1) authorizes the Bureau of Motor Vehicles (BMV) to design and issue an Imagine Food Banks Trust license plate and establishes the Imagine Food Banks Trust Fund. It specifies that \$25 from the proceeds from the sale of an Imagine Food Banks Trust license plate be distributed to the Feeding America-Imagine Food Banks Trust License Plate Committee, which is composed of representatives of each food bank that is a part of the network of Feeding America food banks located in Indiana;
- (2) requires the BMV to authorize the display of a restored or refurbished authentic license plate from the model year of an antique motor vehicle on an antique motor vehicle;
- (3) deletes outdated language;
- (4) establishes the Friends of Animals Trust license plate and the Friends of Animals Trust Fund and specifies that \$25 from the proceeds from the sale of each of the Friends of Animals Trust license plates be distributed to the auditor of the county from which the fee was collected for distribution to humane societies in the county or to animal control centers in the county if there is no humane society in the county;
- (5) requires the BMV to design and issue a Gibault Children's Services Foundation license plate, to be available after January 1, 2010;
- (6) renames the Disabled Veteran license plate the Disabled Hoosier Veteran license plate;
- (7) establishes the POW/MIA license plate, and specifies that a certain fee collected upon issuance of the license plate be deposited in the Veterans' Affairs Trust Fund;
- (8) provides that a person who receives a Disabled Hoosier veteran license plate due to a walking impairment must have a service-connected disability of at least 10%;
- (9) provides for only one design for Disabled Hoosier Veteran license plates;
- (10) repeals the provision requiring two distinct designs for Disabled Veteran license plates; and
- (10) makes conforming changes.

Effective Date: Upon passage; July 1, 2009.

Explanation of State Expenditures: This bill will have the following impacts.

New License Plates: The bill establishes the following:

- (1) Imagine Food Banks Trust license plate and the Imagine Food Banks Trust Fund.
- (2) Friends of Animals Trust license plate and the Friends of Animals Trust Fund.
- (3) Gibault Children's Services Foundation license plate and the Gibault Children's Services Foundation Trust Fund.
- (4) POW/MIA License Plate.

Imagine Food Banks Trust License Plate and Fund: The bill establishes the license plate, the Imagine Food Banks Trust Fund and a \$25 fee for the plate. The BMV is to administer the Fund, and expenses of administering the Fund are to be paid from the Fund. On June 30th, the BMV is to distribute the money in the Fund to the Feeding America-Imagine Food Banks Trust License Plate Committee that is composed of representatives of each food bank that is part of the network of Feeding America Food Banks located in Indiana. Money in the Fund does not revert to the state General Fund at the end of the state fiscal year.

(Revised) *Friends of Animals Trust License Plate and Fund:* The bill establishes the license plate, the Friends of Animals Trust Fund, and a \$25 fee for the plate. The BMV is to administer the Fund, and expenses of administering the Fund are to be paid from the Fund. The BMV is to annually distribute the money in the Fund to the auditor of the county from which the fee was collected for a proportionate distribution to humane societies in the county or to animal control centers in the county if there is no humane society in the county. Monies allocated to an animal control center must be used for the purposes of a spay and neuter program.

Gibault Children's Services Foundation License Plate and Fund: The bill establishes the license plate, the Gibault Children's Services Foundation Trust Fund, and a \$25 fee for the plate. The BMV is to administer the Fund, and expenses of administering the Fund are to be paid from the Fund. The BMV is to annually distribute money in the fund to the Gibault Children's Services Foundation.

POW/MIA License Plate: The bill establishes the license plate and a \$25 fee for the plate to be deposited into the Veterans' Affairs Trust Fund. The Veterans' Affairs Trust Fund (VATF) is intended to provide assistance to veterans and their families. Money in the fund consists of appropriations, gifts, donations, interest, and other sources. This fund is administered by the Military and Veterans' Affairs Benefits Board. Currently, there is no funding source for the VATF and the account has a \$0 balance.

The Prison Enterprise Network (PEN PRODUCTS), manufacturing and sales arm of prison-made products, charges the BMV for the manufacture of license plates. For all of the plates described above, PEN PRODUCTS will charge the BMV \$3.19 per plate for single-color printing under the digital license plate system. The charge for multi-color printing on sheeting under the digital license plate system is \$3.69 per plate. The funds affected are the PEN PRODUCTS Revolving Fund and the Motor Vehicle Highway Account, which supports the BMV.

Restored/Refurbished Model Year License Plate: This provision should not require any additional expenditures on the part of the BMV. The bill requires the BMV to determine whether the restored or refurbished authentic license plate from the vehicle's model year is in suitable condition to be displayed and bears a unique plate number at the time of registration of the antique vehicle. In addition, the current certificate of registration must be kept with the vehicle at all times. The above requirements are part of the current law for display of an authentic antique license plate. The fund affected is the Motor Vehicle Highway Account (MVHA), which supports the BMV.

Disabled Hoosier Veteran License Plates: The bill renames the Disabled Veteran license plate the Disabled Hoosier

Veteran license plate. PEN PRODUCTS will charge the BMV the same charge as for the current Disabled Veteran license plate. Also, there will be a \$450 design fee for the change required in the new license plate.

Providing for only one design for Disabled Hoosier Veteran license plates will reduce expenditures for both PEN PRODUCTS and the BMV by an unknown amount.

Providing that a person who receives a Disabled Hoosier Veteran license plate due to a walking impairment must have a service-connected disability of at least 10% may result in the issuance of fewer Disabled Hoosier Veteran license plates because this threshold does not exist for the current Disabled Veteran license plate.

Explanation of State Revenues: *License Plate Fees:* Revenues from the \$25 fees for the new plates established by the bill are not known. In CY 2008, sales of special recognition license plates ranged from 74 plates for the Pearl Harbor plate to 53,267 for the Heritage Trust plate. Revenue from the \$25 fee for the Pearl Harbor plate amounted to \$1,850, while revenue from the \$25 fee for the Heritage Trust plate amounted to \$1,331,675. Plates sales and revenue from the newly established license plates are likely to fall within these ranges and will be deposited into the respective funds.

In addition, there is a \$15 Special Recognition fee for these plates. Revenue from the Special Recognition fee for the Pearl Harbor plate totaled \$1,110, while revenue from the same fee for the Heritage Trust plate amounted to \$799,005. The following tables show the distribution of the Special Recognition fee based on the CY 2008 sales of the Pearl Harbor plate and the Heritage Trust plate and the uses of the distributed funds.

Minimum and Maximum Distribution of Estimated Special Recognition Fee Revenue.				
Plate Type	MVHA (\$5)	Xrds 2000 (\$1)	BMVC (\$9)	Total (\$15)
If 74 plates sold *	\$370	\$74	\$666	\$1,110
If 53,267 plates sold *	\$266,335	\$53,267	\$479,403	\$799,005
* Estimates based on CY 2008 sales of Pearl Harbor plates and Heritage Trust plate. MVHA - Motor Vehicle Highway Account Xrds 2000 - Crossroads 2000 BMVC - Bureau of Motor Vehicle Commission				

Fund	Uses
MVHA	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue.
Crossroads 2000 Fund	Bonding for highway projects.
BMV Commission	Supports the operation of the license branches throughout the state.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV; Prison Enterprise Network.

Local Agencies Affected: Food banks that are part of the network of Feeding America Food Banks located in Indiana; Gibault Children's Services; Humane Societies in counties; Veterans' Affairs Trust Fund.

Information Sources: Special Recognition and Trust Plate sales for CY 2008; Prison Enterprise Network; Tom Applegate, Director of the Indiana Department of Veterans Affairs, 317-232-3910.

Fiscal Analyst: James Sperlik, 317-232-9866.